




# *KANKAKEE VALLEY REMC*

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May 2, 2002

William F. Caton  
Acting Secretary  
Federal Communications Commission  
Office of the Secretary  
445 - 12<sup>th</sup> Street, SW  
Washington, DC 20554

RE: WT Docket No. 02-55, Notice of Proposed Rulemaking, Improving Public Safety  
Communications in the 800 MHz Band; Consolidating the 900 MHz Industrial/Land  
Transportation and Business Pool Channels

Dear Mr. Caton:

Kankakee Valley Rural Electric Membership Corporation ("KVREMC") submits comments in the proceeding referenced above to convey our concern regarding the effects the proposed reallocation of the 800 MHz band in the NPRM would have on the operations of KVREMC in providing critical electric distribution services to our members and the communities we serve.

KVREMC is a not-for-profit corporation located in northwest Indiana providing electric service to 17,268 rural customers comprised primarily of residential accounts. Our cooperative is also a "small entity" as defined by the Small Business Administration. As a cooperative business, we are owned by the customers that we serve. Our board of directors is elected by and from our membership. We pride ourselves in providing our customers with reliable

electric service at the lowest possible cost. We are a service driven, not a profit driven, organization.

KVREMC has operated our communications system on the 800 MHz frequency since obtaining a license for the frequency in 1985. KVREMC fully supports the Commission in seeking to ensure that public safety organizations have adequate spectrum free from interference. However, KVREMC also depends on a reliable communications system to make sure that electric power is maintained or quickly restored so that police, fire and rescue units can get their jobs done. Our cooperative, like other critical infrastructure providers, often works closely with local public safety systems in storms and other natural disasters and emergencies. We are among the “first responders.” Emergency shelters and medical care facilities on our distribution system depend on our service.

KVREMC maintains contacts with local Emergency Management organizations. During a recent severe winter storm, we worked closely with police and emergency responders to clear roads and restore service to critical communications towers, hospitals and shelters served by our cooperative.

Nextel’s proposal would force KVREMC to move communications to either the 700 or 900 MHz bands. The Nextel “alternative” to allow incumbent 800 MHz licensees to remain on the band on a “secondary, non-interference” basis clearly is not feasible for us as a provider of electricity, a critical and essential service. KVREMC’s 800 MHz radio system is used for all of our fleet communications. The equipment cannot be reconfigured to operate in the 700 or 900 MHz bands. A total replacement of equipment would be required. Our original 800 MHz system was installed in approximately 1985 and has grown with the changing needs of KVREMC. Replacement of our equipment would include two (2) radio towers, forty-four (44)

fleet and supervisory vehicles and nine (9) base stations. The cost of replacement would be \$300,000 to \$350,000.

Replacement of equipment on this scale could not be accomplished overnight. The transition period would require simultaneous operation of both the new and old systems to provide continued communication capability. Even so, there would be a period of time during the change that our crews and supervisors would not be capable of talking to each other truck-to-truck and base-to-truck. The impairment of communications required by this change would introduce an increased element of risk for the safety of our employees in their day-to-day activities. Risk would be even greater should emergency work due to a natural disaster, be required during the transition period.

Operating on a secondary, non-interference basis within the 800 MHz band, as Nextel suggests as an alternative, is not an option for us. As the Commission itself noted in the NPRM, “it would not appear advisable to require a station associated with the restoration of electrical power service to precipitously discontinue service.” We operate a private, wireless communications network because we need a very high level of reliability, that is, we need a communications system that is always operating. That’s because we provide an essential service –electricity– that must be provided as continuously as possible or consumers go without essential services such as light, or heat, or the power to run equipment and appliances. And, in times of storms and other emergencies, our reliance on our communications system is at its greatest. This is also the time when police, fire and rescue squads would need the spectrum. Obviously, a secondary status to remain in the 800 MHz band is not a workable alternative for us.

KVREMC is not currently in conflict with the operations of other local public safety units – that is, no interference exists. No other public safety organization in northwest Indiana

operates on the 800 MHz spectrum.

The Commission must understand that as a not-for-profit electric cooperative, all costs associated with moving to other spectrum ultimately fall to the cooperative electric consumer through rates. There are no profits or shareholder dividends that can be reduced to cover this new and unexpected expense as an investor-owned company might. All of KVREMC's operating expenses are recovered in our consumers' electric bills. The costs associated with implementing Nextel's proposal might be easier for our consumers to accept if there was some corresponding benefit to our community.

The NAM/MRFAC alternative proposal discussed in the NPRM would allow our system to remain in the 800 MHz band. While "retuning" of our system may be necessary, we estimate that such retuning would cost significantly less and could be accomplished in a much shorter period of time. Therefore, this proposal would place less of a financial burden on KVREMC and our consumers. However, we urge the Commission to investigate other alternatives, including those short of reallocation as well. We understand that others have looked at the public safety interference problem and believe both its root causes and possible solutions are different than what Nextel proposes. Because we are not currently a source of interference, nor are we experiencing harmful interference on our system at this time, we urge the Commission to give consideration to all reasonable alternatives to the existing proposals. If more targeted, technological or market-oriented alternatives will alleviate the interference in those areas of the country where it exists, then it is not necessary to subject all other, non-interfering 800 MHz spectrum users to a costly and disruptive relocation.

KVREMC is pleased to see that the Commission is seeking input on the issue of who should be entitled to reimbursement if required to move to other spectrum. As we stated above,

we do not believe it is fair to make our consumers pay to solve a problem that their electric cooperative did not cause. If KVREMC is required to relocate or to retune, we believe we should be reimbursed for those expenses. Further, we have serious concerns about whether there will be sufficient replacement spectrum on the other bands to accommodate all the displaced users, how that spectrum will be made available and when, and whether the spectrum and the equipment available for use in that band can support our current mission-critical applications and future plans.

## CONCLUSION

We ask that the Commission in seeking to remedy interference to public safety not unnecessarily disrupt KVREMC's provision of an essential consumer service. If the Commission determines that a reallocation of the 800 MHz spectrum band is necessary, then fair compensation must be made to fully cover the costs of relocating or retuning. We therefore urge the Commission to reject Nextel's proposal and to consider, after further study, other alternatives that will more efficiently and effectively address the causes of public safety signal interference. We applaud the Commission for seeking to remedy this problem while minimizing the disruption and costs to incumbent 800 MHz users. To that end, we request that the Commission consider the essential services being provided by KVREMC, the fact that we are a not-for-profit organization, and that we are a small entity, as it considers the impacts of any reallocation proposal on current 800 MHz users. If KVREMC is required to move to other spectrum, it must be of comparable quality, technically capable of supporting our current and future communications functions, and available. Further, our costs to move to other spectrum bands or to retune our equipment should be fully reimbursed. Our electric consumers should not have to pay higher electric bills to cover the costs of replacing communications equipment that is not

obsolete or worn out, nor should they be forced to pay to resolve a problem that we did not create and are not experiencing in our community.

Respectfully submitted,

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